



**Operation & Maintenance of Navigation Locks & Dams
High-Performing Organization Business Process Review
Communication
Questions & Answers**

The Strategic Sourcing Program Office (SSPO) will periodically distribute communications to the workforce responding to questions we receive about the Operation & Maintenance (O&M) of Navigation Locks & Dams (Ls/Ds) High-Performing Organization (HPO) **Business Process Review (BPR)**.

Q1: Does the establishment of an HPO mean that there will be no OMB Circular A-76 privatization review of the locks and dams functions in the Corps of Engineers, period?

A1: Yes, that is correct.

Q2: Can locks and dams functions be contracted out or privatized within the parameters of an HPO?

A2: Technically, the answer is yes. However, the Corps does not intend to conduct a competition for those lock and dam operations that are currently performed by Federal employees.

Q3: Please provide a timeline over the 18 month period of the HPO that details the milestones of this effort and when those milestones will be reached.

A3: It is too early in the BRP to even speculate on major events or projected milestones. Information will be provided to the workforce as soon as it becomes available.

Q4: Mr. Navidi in his November 13 memorandum indicates that, "The end result will be that while some work processes may change, no O&M employees are at risk of losing their jobs." Does this mean that implementation of the HPO will not result in any job losses whatsoever for affected employees who staff the locks and dams?

A4: Our objective is that HPO implementation will not result in any job losses for affected current employees. Enhancements brought about by BPR may affect the number and kind of positions needed. Where that is the case, changes will be achieved through attrition of current employees and/or the filling of vacancies.



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Q5: Would implementation of the HPO result in job downgrades that would cause affected employees to lose income or status, e.g., changing an employee from permanent status to temporary status or reducing grades?

A5: At this point, it would only be speculation to say. However, our objective is to implement HPO without negatively impacting any of our current employees.

Q6: Will you use a concept of a Continuing Government Organization so that employees are dismissed and forced to reapply for their jobs, as was the case in the IM/IT A-76 privatization review?

A6: The concept of a Continuing Government Organization (CGO) does not apply to the HPO BRP.

Q7: Would implementation of the HPO result in affected employees being transferred or relocated?

A7: At this point, it would only be speculation to say. However, our objective is to implement HPO without negatively impacting any of our current employees.

Q8: Will all affected employees currently represented by labor unions continue to enjoy such representation after implementation of the HPO?

A8: Employees' right to organize and to be represented by labor unions is protected by the Federal labor relations statute. The exercise of that right is guided by rules, regulations, and procedures administered by the Federal Labor Relations Authority.

Q9: Will the HPO be implemented in accordance with existing collective bargaining agreements?

A9: While we can not predict whether and/or how the BPR effort will impact existing agreements, management will abide by applicable labor relations statutes and regulations in implementing the results.



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Q10: What formal opportunities will the affected rank-and-file employees, those who are most familiar with the important work performed by the Corps of Engineers with relation to locks and dams, have to participate in the HPO development team? How many individuals will the exclusive representatives of the affected rank-and-file employees be allowed to appoint to the HPO development team?

A10: Our objective is to structure the HPO team and the BRP in such a way that we can maximize employee and recognized labor union input and best utilize the knowledge and expertise they can contribute.

Q11: How will the Congress be notified about the milestones of the HPO development team as well as the details of the completed HPO in a timely and comprehensive fashion?

A11: The existing channels for communication with Congress are the Executive Office of the President (Office of Management and Budget), the Office of the Secretary of Defense, and the Assistant Secretary of the Army for Civil Works. Courtesy briefings for Congressional staff occur at their request.

Q12: What are the savings that you estimate from implementing the HPO—and over how long a period of time? And have the estimated savings been incorporated in future Corps of Engineer budget assumptions? If you do assume savings, where will they come from, particularly if the HPO will result in no job losses?

A12a. It is too early in the BRP to even speculate on savings and their source. Therefore, we have no basis to factor any projected savings into future Corps budgets.

Q13: What is the estimated cost of conducting the HPO? Will consultants be used to develop the HPO? If so, how many, which ones, and how much will they cost? Will the Corps of Engineers keep track of costs related to the development of the HPO, including the costs of consultants and the costs of in-house staff assigned to this effort?

A13: We estimate the cost of conducting the BPR at between \$1M to \$2M. While consultants may support the effort, the Delegated Competitive Sourcing Official (Deputy Commander, USACE), SSPO, and the HPO Development Team are the responsible parties. We have not selected a consultant at this time, but we anticipate the cost to be



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approximately \$800K. The SSPO tracks costs of public-private competitions and HPO efforts in CEFMS.

Q14: Please identify the estimated savings from the Logistics HPO? To the extent there were savings from the Logistics HPO, what parts of the relevant budget were reduced, e.g., personnel, maintenance, administrative, etc.? What new and / or improved “work methods and business practices” were introduced as a result of the Logistics HPO’s implementation. Please indicate whether any affected employees lost their jobs with the Corps of Engineers as a result of the HPO’s implementation? Please indicate whether any affected employees were downgraded as a result of the HPO’s implementation?

A14: The initial estimated savings from the LOGM BPR effort is approximately \$9M. We expect this estimate to change as we realize greater savings from implementing the improved business processes under the LOGM HPO. We are still in the process of implementing the BPR and full-operating capability will be achieved in May 2008. We are also still in the process of implementing the human resource plan. All employees will transfer to the LOGM HPO by the end of March 2007. After that time we will be able to report the impact on the affected employees. No employee has lost his/her job.

Q15: Will the Corps of Engineers be required to review for privatization under OMB Circular A-76 additional employees in order to fulfill “the original plan to...compete 7,500 positions”? Or will OMB allow the Corps of Engineers to count the employees included in the HPO towards “the original plan’s” quota?

A15: The correct term is public-private competition rather than privatization. We are still in the process of negotiations with OMB regarding our original commitment to compete 7,500 positions. Employees included in the HPO initiative will count toward that quota.